

KWright@entrix.com 05/06/2004 12:21 PM

To Rios.Gerardo@epamail.epa.gov

cc Zoueshtiagh.Nahid@epamail.epa.gov, TUmenhofer@entrix.com, steven.r.meheen@bhpbilliton.com

bec

Subject Cabrillo Port PSD Application

Gerardo:

Please find attached a memo which contains a status of our response to your letter of April 5, 2004, and several requests concerning the Cabrillo Port PSD application.

Kevin Wright Air Resources ENTRIX, Inc. TEL 805-477-5007



FAX 805-658-0612 EPA_Cabrillo Port.doc

Gerardo:

Per my telephone conversations with Nahid, I have conferred with my client and we are available to meet anytime Tuesday through Thursday of next week to discuss the NSR and offset issues associated with Cabrillo Port PSD permit application.

In USEPA's letter of April 5, 2004, you requested that we provide USEPA with additional information required under VCAPCD's NSR Rule 26. In particular, USEPA requested information on how BHBP was planning to satisfy the offsetting requirements within these regulations. USEPA requested this information be forwarded by May 7, 2004.

Subsequent to receipt of that letter, Tom Umenhofer and I have had several telephone conversations with you and other USEPA staff. As we have discussed, the BHPB Cabrillo Port Project team is performing the following tasks:

- Conducting a legal review of the preliminary conclusions of the NSR applicability contained in the USEPA April 5, 2004 letter.
- Researching the availability of offsets in Ventura County.
- Investigating emission reduction opportunities.
- Confirming the BACT analysis provided in our PSD application.

It is our understanding that given the effort that BHPB is making in responding to your letter (including the above-noted activities) that the May 7, 2004 is not considered by USEPA as the firm response deadline.

In addition, it is our understanding that USEPA-Region IX legal counsel is reviewing the applicability of NSR offset requirements to mobile sources (marine vessels), and is planning to issue a legal opinion on these NSR applicability issues in the near future.

We would like to request that USEPA verify (via e-mail and/or letter) that the May 7, 2004 deadline has been set aside in light of the progress made by the applicant to address the issues identified in the USEPA April 5, 2004 letter. In addition, we request that the issuance of a legal review documentation on permit applicability by USEPA Region IX legal counsel be reserved until the Cabrillo Port Project team can meet with you in USEPA offices. At that time, we will be able to provide you with the results of our efforts.

Please let me know of your availability to meet next week.

Regards,

Kevin Wright